

South American weather worries drove soybean prices up about 25 cents last week but the rally was starting to lose a bit of steam by Friday. Indeed, on Monday of this week the market gave back some of the gains as the large speculative buyers were noticeably absent. Selling was also tied to improving conditions in Argentina and traders were squaring up their positions ahead of Thursday’s USDA report. On Monday, the weekly export inspections of 25.7 million bushels were well above the 9 million bushels needed each week to hit the target USDA number of 1.01 billion bushels, but this could not lift the market. On Tuesday, the ‘small’ speculators (floor traders) started the buying and this triggered the large buyers and so that was a strong day and this continued on through Wednesday with more buying. Some traders are expecting world stocks to be lowered in the USDA report and the large speculators look positioned to take large bull bets tomorrow. Baring any surprises prices should rally more in the next few days. Corn moved to three month highs early last week but the momentum seems to have slowed considerably in the market. This was expected as much of the bullish move in this market came from the strength in the bean pit and that alone can’t sustain any kind of rally. A huge demand sector has to support this market. Indeed on Monday corn closed lower as the bean market did not offer any kind of spillover support and some analysts are actually thinking that the USDA might increase ending stocks by 30-40 million which would really hit the market. This is due to lack of export demand which was verified by this week’s poor inspection report whereby 33.6 million bushels was below the needed 39 million bushels needed to hit the USDA’s magic number of 1.9 billion. On Tuesday corn was down again but Wednesday we saw some recovery ahead of the report. This bounce was due to technical indicators rather than fundamentals. Wheat extended its rally last week but showed signs of weakness by Friday (just like corn) and on Monday the market gave back some of the rise after the bearish weekly export inspection numbers was less than 50% of last week’s number. On Tuesday the funds bought up some contracts but their motivation was driven by non sustaining technical indicators. Surprisingly the wheat market gained bullish momentum ahead of the report when the weakening U.S. dollar fed the bulls. The CRB index which many funds trade off saw strength and wheat (being a component) was bought up in boat loads. Early estimates for the wheat USDA report suggest that the U.S. and world ending stocks to be lower than the February estimate.

BASIS TABLE

LOCATION	CORN BASIS		SOYBEAN BASIS		WHEAT BASIS	
	CASH (Mar05)	NEW(Dec05)	CASH (Mar05)	NEW(Nov05)	CASH(Mar05)	NEW(Jul05)
Western MD	+35	n/a	-73	n/a	-19	n/a
Central MD	+29	-1	-33	-48	-58	-56
Southern MD	+12	-14	-23	-33	-22	-24
Upper E. Sh	+24	-1	-10	-28	n/a	-25
Lower E. Sh	+31	+8	Even	-19	-8	-24

THE CROP WEATHER WILL RESUME IN APRIL 2005

CASH GRAINS - REGIONAL - (\$/bu) DEALERS AVERAGE CASH QUOTES								
Grade and Commodity	#2 Y Shelled Corn		#2 Yellow Soybeans		#2 Red Winter Wheat		#3 Barley	
Date	3/01	3/08	3/01	3/08	3/01	3/08	3/01	3/08
Western Md	2.28	2.45	5.50	5.51	3.15	3.15	1.83	1.83
Central MD	2.30	2.39	5.80	5.91	----	3.92	2.55	2.00
Southern MD	2.24	2.22	5.88	6.01	3.08	3.12	----	----
Upper E. Shore	2.37	2.34	6.01	6.14	----	----	----	----
Lower E. Shore	2.44	2.41	6.11	6.24	3.23	3.26	1.69	1.58
Soybean Meal Lower Eastern Shore Dealer’s Average Cash quotes (\$/ton)								
Date	3/01		3/08		Date		3/01	
48% Soybean Meal	217.00		215.00		44% Soybean Meal		205.00	

FORWARD CONTRACT PRICE-REGIONAL (\$/BU) for Harvest delivery Dealer’s Avg Quotes								
Grade and Commodity	#2 Y Shelled Corn		#2 Yellow Soybeans		#2 Red Winter Wheat		#3 Barley	
Date	3/01	3/08	3/01	3/08	3/01	3/08	3/01	3/08
Western Md	----	----	----	----	----	----	----	----
Central MD	2.40	2.38	5.65	5.68	3.50	2.92	----	----
Southern MD	2.30	2.25	5.84	5.83	3.25	3.24	1.55	1.55
Upper E Shore	2.43	2.38	5.89	5.88	3.24	3.23	1.55	1.55
Lower E Shore	2.52	2.47	5.98	5.97	3.25	3.24	1.58	1.58

GRAIN FUTURES- Chicago Board of Trade (\$/bu) Settle - Mar 08, 2005							
Corn		Soybeans		Wheat		Soybean Meal ¹	
05Mar	206.60	05Mar	619.40	05Mar	329.00	05Mar	181.20
05May	214.20	05May	625.40	05May	337.20	05May	184.70
05Jul	221.20	05Aug	626.20	05Jul	344.00	05Jul	186.80
05Sep	227.20	05Sep	616.40	05Sep	349.60	05Aug	187.30
05Dec	235.20	05Nov	612.40	05Dec	356.40	05Sep	188.00
06 Mar	241.40	06Jan	615.00			05Oct	185.50

¹ \$/ton

HAY AND STRAW											
New Holland, PA - \$/ton - Mar 07, 2005 - 171 Loads											
Alfalfa		Mixed Hay		Timothy		Orchardgrass		Straw			
35.00-200.00		57.00-260.00		90.00-210.00		40.00-150.000		60.00-195.00			
Westminster, MD - \$/bale - Mar 08, 2005- 35 Lots											
Alfalfa		Alfalfa Mix		Timothy		Timothy Mix		Grass Mix			
.60-1.50		1.20-4.00		1.50-4.00		1.10-3.50		1.10-3.10			
Southern, MD - Regional Farmers' Market - \$/bale - Mar 05, 2005											
Product			Lo/Hi			Avg Price			Product		
Alfalfa			4.00-4.40			4.15			Alfalfa Mixed		
Lespedeza			3.50-5.00			4.35			5.00-5.00		
Orchard Grass			2.00-4.10			3.51			1.00-4.00		
Timothy			3.00-3.10			3.05			1.75-4.20		
									2.00-3.10		
									2.77		
POULTRY (Grade A) - Week Ending - Mar 12, 2005											
				Current Week		Week Ago		Month Ago		Year Ago	
NY Wtd Avg. (Fryers)				69.57		69.78		70.74		75.71	
12 City Composite				71.74		71.52		71.50		75.52	
LAMBS - Westminster, MD - \$/cwt - Mar 08, 2005											
Lambs		30- 70 lbs		132.50-167.50		Sheep		51.00- 80.00			
		80-110 lbs		87.50-140.00		Yearlings		87.50-125.00			
TERMINAL MARKETS HOGS - Mar 08, 2005					DIRECT MARKET HOGS - Westminster, MD - Mar 08, 2004						
Base Price Range (\$/cwt)		Carcass Basis		Sows (1-3)		Butcher Hogs		Heavy		280-386 lbs	
a.m.		Base 185 lb Hog		300-449 lbs						47.25-55.75	
						Sows				47.00-50.50	
Iowa, Minn		69.00-78.00		39.31-47.41		Thin or Milking				37.00-47.00	
Eastern Cornbelt		58.50-76.50		35.32-48.75		Millsboro, DE Market Hogs - (\$/cwt) -		Next Sale Mar 15, 2005			
FEEDER PIGS - (\$/cwt) -											
Gumboro, DE					New Holland, PA - Mar 10, 2005						
Head:		Trend:			Head:		Trend:				
		Next Sale Mar 15, 2005					All went to slaughter				
CATTLE-LIVE FUTURES-Chicago Mercantile Exchange (\$/cwt) - Mar 08, 2005					HOGS-LEAN FUTURES-Chicago Mercantile Exchange (\$/cwt) - Mar 08, 2005						
Mar05		88.00		Jun05		85.20		Apr05		76.10	
Apr05		89.25		Aug05		82.25		Jul05		78.73	
May05		----		Oct05		83.30		May05		78.70	
								Aug05		75.80	
								Jun05		81.73	
								Oct05		64.83	
STOCKER-FEEDER CATTLE - (\$/cwt)											
Winchester, VA - Mar 07, 2005					Westminster, MD - Mar 08, 2005						
Steers		300-400 lbs		120.50-137.00		Steers		300-400 lbs		119.00-127.00	
		400-500 lbs		107.00-132.00				500-600 lbs		97.00-115.00	
		500-600 lbs		114.00-131.50		Heifers		300-400 lbs		84.00-115.00	
		600-700 lbs		107.00-125.00				500-700 lbs		64.00- 89.00	
		700-800 lbs		101.00-102.00		Hols Bull Calves		90-100 lbs		162.50-182.50	
		800-900 lbs		87.00- 97.50		Returned to farm #2		85-100 lbs		102.50-142.50	
Heifers		300-400 lbs		119.00-131.00							
		400-500 lbs		108.50-119.00							
		500-600 lbs		104.00-115.75							
		600-700 lbs		96.00-104.00							
		700-800 lbs		85.00- 92.00							
Lancaster, New Holland & Vintage - Week Ending - Mar 05, 2005											
Bull,		90-120 lbs		N/A							
Heifers, Hols		90-120 lbs									
SLAUGHTER CATTLE (\$/cwt)											
Westminster, MD - Mar 08, 2005											
Fed Steers					Fed Heifers						
Ch		87.00-93.50				Ch		87.00-92.50			
LCh		81.25-86.00				Calves					
Select		76.75-81.00				Culls		30.00-57.50			
Cows											
Utility		50.00-56.00									
High Dressing		56.50-62.00									
Canners		42.00-49.00									
Shelly		41.00-Down									
Lancaster, New Holland & Vintage - Week Ending - Mar 12, 2005											
Steers, Choice 2-3											
Cows, Breakers 75-80 pct lean		N/A									
Bulls, YG 1											

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